AGA25-2

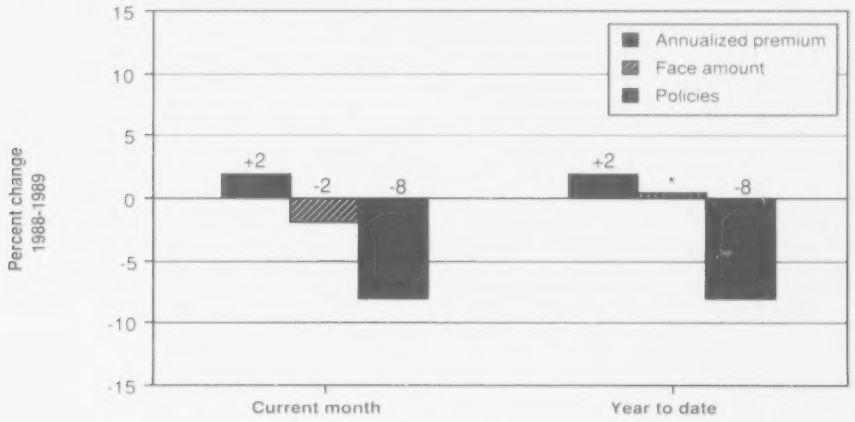
I/R Code 47.40

December 1989

MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

Individual Sales

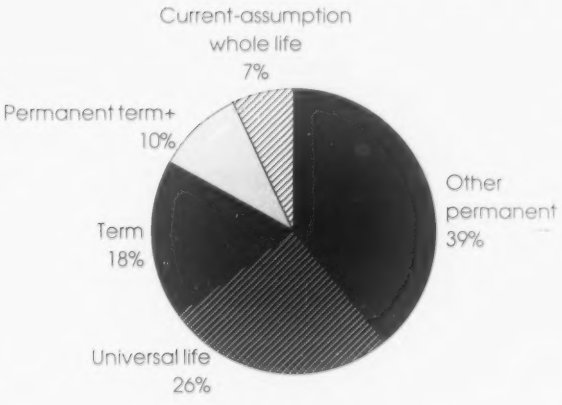
37 Companies



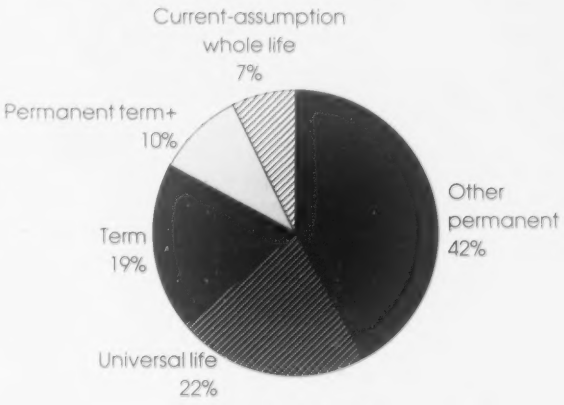
* Less than 1/2 of +1 percent

Annualized Premium Market Share by Product

27 Companies Representing 81 Percent of December Sales



Current Month



Prior 12 Months
(December 1988 - November 1989)

+Estimate based on 17 companies

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Sales Comparisons with Last Year

Ratio 1989/1988

		Annualized premiums	Face amount	Number of policies
Term (24 cos.)	Month	96%	96%	96%
	Year to date	108%	105%	103%
Universal life (20 cos.)	Month	133%	128%	115%
	Year to date	114%	111%	103%
Current-assumption whole life (12 cos.)	Month	109%	99%	98%
	Year to date	95%	78%	81%
All other permanent (21 cos.)	Month	86%	86%	82%
	Year to date	89%	82%	80%

Policy Characteristics by Product

		Premium per $1,000	Average size policy	Premium per policy
Term (24 cos.)	Month	$ 3.79	$157,324	$ 596
	Year to date	$ 3.70	$152,809	$ 566
	Year-to-date ratio	103%	101%	105%
Universal life (20 cos.)	Month	$ 9.25	$107,843	$ 997
	Year to date	$ 9.16	$ 97,125	$ 890
	Year-to-date ratio	102%	109%	111%
Current-assumption whole life (12 cos.)	Month	$ 8.89	$ 42,491	$ 378
	Year to date	$ 8.29	$ 40,564	$ 336
	Year-to-date ratio	122%	96%	117%
All other permanent (21 cos.)	Month	$11.37	$ 57,794	$ 657
	Year to date	$11.27	$ 52,098	$ 587
	Year-to-date ratio	108%	103%	111%

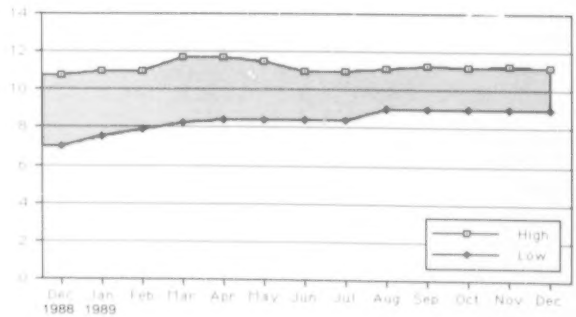
Universal Life

Interest Rates This Month

Median	10.0%
Range	9.0% - 11.2%
Range of middle 50%	9.5% - 10.2%
Number of companies reporting	16
Number of plans reported	37
Number of new plans	0
Number of plans dropped	0
Number of plans showing. . .	
No change	33
Increases	3
Average increase	0.2%
Decreases	1
Average decrease	*

* Less than 1/2 of +0.1 percent

13-Month Interest Rate Range



Contributors' Growth Rates

Change in Annualized Premium

Year to Date

Percent change 1988 - 1989	Number of companies... Group I	Group II	Group III	All
21% or over	1	2	2	5
11% – 20%	1	1	0	2
1% – 10%	5	2	5	12
-9% – 0	3	4	4	11
-19% – -10%	0	2	0	2
-20% or under	0	3	2	5

Total Sales

Revised Through Current Month

	Annualized premium (000)			Face amount (000)			Number of policies		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 35,941	$ 35,414	99%	$ 5,288,957	$ 5,234,135	99%	64,864	59,910	92%
February	44,324	43,494	98	6,476,266	6,654,759	103	84,384	75,782	90
March	49,816	48,133	97	7,354,328	7,004,115	95	93,311	80,974	87
April	43,084	46,092	107	6,467,890	6,798,811	105	82,193	79,229	96
May	45,740	49,901	109	6,981,893	7,431,548	106	88,788	85,168	96
June	51,352	53,748	105	7,657,396	7,813,946	102	92,670	85,836	93
July	42,647	43,429	102	6,162,113	6,323,538	103	72,537	68,235	94
August	38,775	41,485	107	5,722,121	5,989,950	105	68,299	63,706	93
September	47,088	44,062	94	6,888,591	6,401,175	93	88,661	75,085	85
October	47,926	48,968	102	7,081,362	7,062,854	100	88,918	81,667	92
November	52,589	54,180	103	7,746,743	7,657,333	99	93,214	85,037	91
December	55,298	56,290	102	8,036,262	7,854,879	98	86,332	79,527	92
Year total	$554,580	$565,196	102%	$81,863,922	$82,227,043	100%	1,004,171	920,156	92%

	Premium per $1,000			Average size policy			Premium per policy		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
January	$ 6.80	$ 6.77	100%	$ 81,539	$ 87,367	107%	$ 554	$ 591	107%
February	6.84	6.54	96	76,748	87,815	114	525	574	109
March	6.77	6.87	101	78,815	86,498	110	534	594	111
April	6.66	6.78	102	78,691	85,812	109	524	582	111
May	6.55	6.71	102	78,636	87,258	111	515	586	114
June	6.71	6.88	103	82,631	91,033	110	554	626	113
July	6.92	6.87	99	84,951	92,673	109	588	636	108
August	6.78	6.93	102	83,780	94,025	112	568	651	115
September	6.84	6.88	101	77,696	85,252	110	531	587	111
October	6.77	6.93	102	79,639	86,484	109	539	600	111
November	6.79	7.08	104	83,107	90,047	108	564	637	113
December	6.88	7.17	104	93,086	98,770	106	641	708	110
Year total	$ 6.77	$ 6.87	101%	$ 81,524	$ 89,362	110%	$ 552	$ 614	111%

December Sales by Size Group

		Annualized premium (000)		Face amount (000)		Number of policies	
		1988	1989	1988	1989	1988	1989
Group I	Month	$ 32,531	$ 35,032	$ 4,246,997	$ 4,599,664	50,078	49,768
	Year to date	$324,805	$340,658	$43,378,232	$46,156,911	602,025	568,308
Group II	Month	$ 17,649	$ 16,081	$ 2,868,409	$ 2,437,180	27,508	21,622
	Year to date	$174,331	$167,661	$28,468,984	$26,551,164	295,413	256,119
Group III	Month	$ 5,118	$ 5,177	$ 920,856	$ 818,035	8,746	8,137
	Year to date	$ 55,444	$ 56,877	$ 10,016,706	$ 9,518,968	106,733	95,729

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance — annualized premiums, face amount (volume), and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities and Canadian pension bonds). The data include mass-marketed ordinary business.

The results are based on the experience of 37 companies plus four subsidiary companies operating in Canada. The contributors represent 81 percent of the 1987 Canadian ordinary volume sold and 84 percent of first-year premiums written. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

Company corrections are incorporated on a monthly basis to provide contributors with the most up-to-date information.

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Raymond H. Hinchcliffe
Diane M. Couture
—Market Research

Life Insurance Marketing and Research Association, Inc.
P.O. Box 208, Hartford, Connecticut 06141

Contributors

Group I
Canada Life
Great-West Life†
Industrial-Alliance Life†
London Life†
Manufacturers Life†
Metropolitan Life†
(includes Metropolitan Life of Canada)
Mutual Life of Canada†
North American Life (Canada)†
Prudential of America†
Sun Life of Canada†

Group II
Ætna Life of Canada†
Commercial Union Life of Canada
Confederation Life
Co-operators Life
Crown Life†
Imperial Life of Canada
La Laurentienne†
Maritime Life (Canada)†
National Life of Canada
New York Life†
(includes New York Life of Canada)
Prudential of England
(includes Prudential Life of England)
Seaboard Life†
Transamerica Occidental Life†
(includes Transamerica Life of Canada)
Zurich Life of Canada†

Group III
Allstate Life of Canada†
Assumption Mutual Life
Assurance-Vie Desjardins
COLONIA Life†
Equitable Life of Canada†
Financial Life of Canada†
Knights of Columbus†
Laurier Life†
Royal Life (Canada)†
La Sauvegarde†
La Solidarite
State Farm Life†
L'Union-Vie†

The groupings of companies and departments are maintained for five-year periods to allow examination of trends; currently they are based on the sum of first-year and renewal direct-written ordinary life premium income as of December 31, 1986.

† Company is included in product market share chart

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December 1989

SUPPLEMENT TO MONTHLY SURVEY OF LIFE INSURANCE SALES IN CANADA

This supplement shows enhancement policy and permanent term (term to 100) data for companies able to report data separately. Enhancements are included in the "all other permanent" category and permanent term is included in the "term" category in the report. Sales of these two products are published separately on a quarterly basis.

Quarterly Sales of Enhancements and Permanent Term

Enhancement Sales for 9 Companies

	Annualized premium (000)			Face amount (000)			Number of policies		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
First quarter	$ 14,718	$ 13,068	89 %	$ 2,014,800	$ 1,805,533	90 %	25,463	22,326	88 %
Second quarter	16,720	15,192	91	2,268,303	2,108,488	93	29,368	26,389	90
Third quarter	15,186	14,196	93	1,971,339	1,903,576	97	23,713	22,148	93
Fourth quarter	14,825	16,714	113	1,947,425	2,195,050	113	23,915	25,323	106
Year total	$ 61,449	$ 59,170	96 %	$ 8,201,867	$ 8,012,647	98 %	102,459	96,186	94 %

	Premium per $1,000			Average size policy			Premium per policy		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
First quarter	$ 7.30	$ 7.24	99 %	$ 79,127	$ 80,871	102 %	$ 578	$ 585	101 %
Second quarter	7.37	7.21	98	77,237	79,900	103	569	576	101
Third quarter	7.70	7.46	97	83,133	85,948	103	640	641	100
Fourth quarter	7.61	7.61	100	81,431	86,682	106	620	660	106
Year total	$ 7.49	$ 7.38	99 %	$ 80,050	$ 83,304	104 %	$ 600	$ 615	103 %

Enhancements as a Percent of Sales for 9 Companies

Annualized premium		Face amount		Number of policies	
Total 1988	Total 1989	Total 1988	Total 1989	Total 1988	Total 1989
30%	27%	28%	26%	25%	25%

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Permanent Term Sales for 19 Companies

	Annualized premium (000)			Face amount (000)			Number of policies		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
First quarter	$ 6,350	$ 8,848	139 %	$ 1,042,789	$ 1,442,870	138 %	11,426	15,791	138 %
Second quarter	8,147	10,795	133	1,310,647	1,799,838	137	14,230	19,369	136
Third quarter	8,847	10,502	119	1,337,864	1,577,422	118	14,258	16,276	114
Fourth quarter	10,415	10,573	102	1,613,687	1,500,229	93	16,483	16,447	100
Year total	$ 33,759	$ 40,718	121 %	$ 5,304,987	$ 6,320,359	119 %	56,397	67,883	120 %

	Premium per $1,000			Average size policy			Premium per policy		
	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88	1988	1989	Ratio 89/88
First quarter	$ 6.09	$ 6.13	101 %	$ 91,265	$ 91,373	100 %	$ 556	$ 560	101 %
Second quarter	6.22	6.00	96	92,104	92,924	101	573	557	97
Third quarter	6.61	6.66	101	93,833	96,917	103	620	645	104
Fourth quarter	6.45	7.05	109	97,900	91,216	93	632	643	102
Year total	$ 6.36	$ 6.44	101 %	$ 94,065	$ 93,107	99 %	$ 599	$ 600	100 %

Permanent Term as a Percent of Sales for 19 Companies

Annualized premium		Face amount		Number of policies	
Total 1988	Total 1989	Total 1988	Total 1989	Total 1988	Total 1989
13%	15%	12%	14%	11%	14%

Contributing Companies

Assurance-Vie Desjardins*
COLONIA Life*
Commercial Union Life of Canada*
Equitable Life of Canada*†
Financial Life of Canada*
Great-West Life*†
Industrial-Alliance Life*†
Knights of Columbus†
La Laurentienne*†
London Life†
Manufacturers Life*†
Maritime Life (Canada)*
Metropolitan Life*
(includes Metropolitan Life of Canada)
New York Life*
(includes New York Life of Canada)
North American Life (Canada)*
Prudential of England†
(includes Prudential Life of England)
Royal Life (Canada)*
La Sauvegarde*
Seaboard Life*
Sun Life of Canada†
Transamerica Occidental Life*
(includes Transamerica Life of Canada)
L'Union-Vie*
Zurich Life of Canada*

† Company provides enhancement data
* Company provides permanent term data

I/R Code 4.30

December 1989

QUARTERLY SURVEY OF INDIVIDUAL ANNUITIES IN CANADA

Fourth Quarter Sales

Accumulation Annuities

Number of new contracts (17 cos.)	RRSPs (Registered Retirement Savings Plans) 1988	1989	89/88	Nonregistered 1988	1989	89/88
1st quarter	78,716	80,074	102%	8,565	9,625	112%
2nd quarter	24,841	33,088	133	6,600	7,642	116
3rd quarter	17,017	18,458	108	6,261	6,483	104
4th quarter	24,782	24,231	98	9,846	7,539	77
Year to date	145,356	155,851	107%	31,272	31,289	100%
Premiums* (18 cos.)						
1st quarter	$ 784,405,820	$ 970,244,640	124%	$202,474,749	$194,728,873	96%
2nd quarter	354,081,168	528,073,855	149	148,256,379	211,797,678	143
3rd quarter	277,604,147	322,174,617	116	154,394,195	160,267,736	104
4th quarter	360,852,543	371,768,805	103	248,259,210	192,956,852	78
Year to date	$1,776,943,678	$2,192,261,917	123%	$753,384,533	$759,751,138	101%
Number of payments* (9 cos.)						
1st quarter	141,601	162,465	115%	13,401	17,163	128%
2nd quarter	94,035	121,199	129	11,936	16,516	138
3rd quarter	86,884	109,264	126	11,822	15,753	133
4th quarter	93,007	118,408	127	13,413	16,517	123
Year to date	415,527	511,336	123%	50,572	65,949	130%

*New and existing contracts

Payout Annuities — Life

Number of new contracts (18 cos.)	RRSP Income 1988	1989	89/88	Nonregistered 1988	1989	89/88
1st quarter	4,059	3,328	82%	1,052	760	72%
2nd quarter	3,113	3,402	109	807	851	105
3rd quarter	2,308	2,222	96	744	707	95
4th quarter	3,212	2,611	81	1,010	953	94
Year to date	12,692	11,563	91%	3,613	3,271	91%
Premiums (18 cos.)						
1st quarter	$123,322,517	$107,011,359	87%	$ 51,436,608	$33,322,454	65%
2nd quarter	99,935,662	137,195,537	137	31,259,213	35,358,504	113
3rd quarter	85,416,626	84,329,407	99	30,927,133	31,598,005	102
4th quarter	122,002,730	90,998,393	75	39,304,357	46,603,166	119
Year to date	$430,677,535	$419,534,696	97%	$152,927,311	$146,882,129	96%

	RRSP Income by Source					
	Internal transfers			External money		
Premiums (12 cos.)	1988	1989	89/88	1988	1989	89/88
1st quarter	$22,189,134	$18,706,875	84%	$ 56,170,638	$ 55,813,748	99%
2nd quarter	17,583,176	28,291,345	161	44,107,564	45,424,845	103
3rd quarter	11,689,366	16,138,189	138	39,843,097	27,442,426	69
4th quarter	20,184,389	19,806,609	98	62,301,866	35,106,720	56
Year to date	$71,646,065	$82,943,018	116%	$202,423,165	$163,787,739	81%

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Payout Annuities — Certain

Number of new contracts (15 cos.)	RRSP Income 1988	RRSP Income 1989	RRSP Income 89/88	Nonregistered 1988	Nonregistered 1989	Nonregistered 89/88
1st quarter	129	105	81%	783	430	55%
2nd quarter	95	83	87	573	535	93
3rd quarter	63	66	105	401	476	119
4th quarter	77	67	87	503	639	127
Year to date	364	321	88%	2,260	2,080	92%
Premiums (15 cos.)						
1st quarter	$ 4,228,405	$ 3,532,848	84%	$ 35,711,893	$ 21,810,127	61%
2nd quarter	2,675,124	3,356,582	125	28,324,040	25,754,982	91
3rd quarter	2,942,252	2,025,354	69	24,052,254	22,728,985	94
4th quarter	2,962,951	2,583,186	87	24,450,826	34,390,668	141
Year to date	$12,808,732	$11,497,970	90%	$112,539,013	$104,684,762	93%

	RRSP Income by Source: Internal transfers 1988	Internal transfers 1989	Internal transfers 89/88	External money 1988	External money 1989	External money 89/88
Premiums (11 cos.)						
1st quarter	$ 523,652	$ 487,606	93%	$2,937,140	$2,583,046	88%
2nd quarter	722,655	599,141	83	1,659,632	1,948,872	117
3rd quarter	716,558	599,102	84	1,441,556	891,588	62
4th quarter	484,085	486,717	101	2,179,222	1,437,536	66
Year to date	$2,446,950	$2,172,566	89%	$8,217,550	$6,861,142	83%

Registered Retirement Income Funds

	New contracts (15 companies) 1988	New contracts (15 companies) 1989	New contracts (15 companies) 89/88	Premiums (16 companies) 1988	Premiums (16 companies) 1989	Premiums (16 companies) 89/88
1st quarter	2,557	3,916	153%	$ 126,080,802	$199,907,988	159%
2nd quarter	2,185	4,061	186	101,382,419	210,823,804	208
3rd quarter	2,106	2,573	122	106,991,200	151,691,201	142
4th quarter	3,802	2,892	76	207,750,809	153,705,857	74
Year to date	10,650	13,442	126%	$542,205,230	$716,128,850	132%

Contributors

Canada Life
Confederation Life
Crown Life
Great-West Life
Imperial Life of Canada
Industrielle-Alliance Vie
La Laurentienne
London Life
Manufacturers Life
Maritime Life
Metropolitan Life
Mutual Life of Canada
National Life of Canada
New York Life
North American Life (Canada)
Prudential Life of England
Prudential of America
Standard Life (Canada)
State Farm Life
Sun Life of Canada
Transamerica Occidental Life
Zurich Life of Canada

About the Survey

This survey shows the Canadian annuity sales activity of 22 companies. Data listed for previous quarters have been revised to incorporate revisions in company data and to include previously unavailable data.

The data are separated into accumulation and payout annuities. The accumulation section shows the number of payments and premiums on new and existing contracts for RRSP and nonregistered annuities, as well as the number of new contracts. The payout section is divided into life and certain only annuities and registered retirement income funds (RRIFs). New contracts and premiums paid are shown for RRSP income and nonregistered contracts, as well as for RRIFs. The split between internal transfers and external money is shown for companies that are able to provide the source of RRSP income premiums.

Some contributors are unable to provide data for all categories; therefore, each category lists the number of contributors able to provide data.

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